(c) if so, the action Government is proposing to protect the interests of individual investors and to investigate this money laundering racket?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) There is no such member registered with the Forward Markets Commission, Mumbai, which is the Regulator for commodity futures trading under the provisions of the Forward Contracts (Regulation) Act, 1952.

Role of the RRBs

1546. SHRI S.S. AHLUWALIA: Will the Minister of FINANCE be pleased to state:

(a) the role originally envisaged by Government for Regional Rural Banks (RRBs) at its inception ;

(b) the details of RRBs, State-wise;

(c) the volume of funds invested in RRBs, year-wise;

(d) the details of analysis, conducted, if any, by Government to ascertain achievements and shortcoming of RRBs from time to time;

(e) the current health of RRBs in general, indicating the details of those fallen sick and principal reasons therefor; and

(f) the details of the steps taken/contemplated by Government to improve RRBs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Regional Rural Banks were set up with a view to developing the rural economy by providing credit and other facilities, for development of agriculture, trade, commerce, industry and other productive activities in the rural areas, particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs.

(b) A list of RRBs, State-wise is given at the statement (*See* below).

(c) The volume of funds invested in RRBs by way of Share Capital and Share Capital Deposit by the stake holders as on 31st March, 2005 is Rs. 2,362.74 crore, 31st March, 2006 Rs. 2,376.03 crore and 31st March, 2007-Rs. 2,384.41 crore respectively.

(d) An annual review of performance of RRBs highlighting achievements and shortcomings is made by NABARD and the same is laid in the Parliament. Some of the major achievements and shortcomings of RRBs as on 31st March, 2007 compared to 31st March, 2006 are as under;

(i) RRBs have attained a business level of Rs. 1.31 lakh crore from previous year's level at Rs. 1.11 lakh crore.

(ii) The growth of deposit and land outstanding have increased from 14.78% to 16.2% and from 20.82% to 22.11% respectively.

(iii) Loans issued under agriculture stood at Rs. 20,388 crore against Rs. 15,299 crore in the previous year.

(iv) Number of loss making RRBs have come down from 22 to 15.

(v) Gross NPA has reduced from 7.28% to 6.39%.

(vi) Productivity per branch and per staff has increased from Rs. 7.66 crore to Rs. 9.05 crore and from Rs. 1.62 crore to 1.92 crore respectively.

(vii) 29 RRBs had negative networth amounting to Rs. 1,800.05 crore.

(viii) Accumulated loss remained sizeable and increased to Rs. 2,746 crore from 2,637 crore.

(e) As on 31st March, 2007, out of 96 RRBs, 15 RRBs incurred current losses, 39 RRBs had accumulated losses and 29 RRBs had negative networth. The major reasons for sickness of the RRBs are as follows:

(i) Financing the target groups/Government sponsored programmes only.

(ii) Poor recovery and high NPAs.

(iii) Very low level of staff/branch productivity.

(iv) Narrow banking.

(f) Government of India/Reserve Bank of India (RBI) and NABARD have taken a number of measures to improve the financial condition of RRBs such as:—

(1) Amalgamation of Regional Rural Banks (RRBs) for business consolidation, expansion etc. As a result of this 196 RRBs have been reduced to 92, as on date. The amalgamated RRBs will provide better customer service due to better infrastructure, computerization of branches, pooling of experienced work force, common publicity and marketing efforts etc. They will also reap benefits of a large areas of operation and enhanced credit exposure limits.

(2) Government has announced in the budget proposals for 2007-08 that RRBs having negative net worth will be recapitalized by the stakeholders as a measures to strengthen the RRBs, financially.

(3) RRBs have been advised to cover the uncovered district and aggressively undertake Branch expansion.

(4) Enhancement of credit to Non-Priority Sector.

(5) Expansion of non-fund based business activities such as sale of insurance policies, disbursement of pension, salaries etc. and handling of government business to increase income generation.

(6) Extension of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI) to RRBs with a view to improve their recoveries.

(7) Permitting RRBs to accept Foreign Currency Non-Residents (FCNR) Deposits.

(8) Allowing consortium lending to RRBs

Statement

State-wise list of RRBs

Sl. No.	State	Name of RRB	Sponsor Bank
1	2	3	4
1.	Andhra Pradesh	Chaitanya Godavari Gr. Bk.	Andhra Bank
2.		Saptagiri Grameena Bank	Indian Bank
3.		Deccan Grameena Bank	State Bank of Hyderabad
4.		Andhra Pradesh Gr. Vikas Bank	State Bank of India
5.		Andhra Pragathi Grameena Bank	Syndicate Bank
6.	Arunachal Pradesh	Arunachal P. Rural Bank	State Bank of India

1	2	3	4
7.	Assam	Langpi Rural Bank	State Bank of India
8.		Assam Gramin Vikas Bank	United Bank of India
9.	Bihar	Kosi Ksh Gramin Bk.	Central Bank of India
10.		Uttar Bihar Ksh Gr. Bank	Central Bank of India
11.		Madhya Bihar Gr. Bk.	Punjab National Bank
12.		Samastipur Ksh Gr. Bk.	State Bank of India
13.		Bihar Ksh. Gr. Bk.	UCO Bank
14.	Chhattisgarh	Surguja Ksh Gr. Bk.	Central Bank of India
15.		Durg-Rajnadgaon Gr. Bank	Dena Bank
16.		Chhattisgarh Gramin Bank	State Bank of India
17.	Gujarat	Baroda Gujart Gr. Bank	Bank of Baroda
18.		Dena Gujarat Gr. Bank	Dena Bank
19.		Saurashtra Gr. Bank	State Bank of Saurashtra
20.	Haryana	Haryana Gramin Bank	Punjab National Bank
21.		Gurgaon Gramin Bank	Syndicate Bank
22.	Himachal Pradesh	Himachal Gramin Bank	Punjab National Bank
23.		Parvatiya Gramin Bank	State Bank of India
24.	Jammu & Kashmir	Ellaqui Dehati Bank	State Bank of India
25.		Jammu Rural Bank	J&K Bank Ltd.
26.		Kamraz Rural Bank	J&K Bank Ltd.
27.	Jharkhand	Jharkhand Gramin Bank	Bank of India
28.		Vananchal Gramin Bank	State Bank of India
29.	Karnataka	Pragathi Gramin Bank	Canara Bank
30.		Chickmagalur Gramin Bank	Corporation Bank
31.		Krishna Gramin Bank	State Bank of India
32.		Cauvery Kalpatharu Grameena Bk.	State Bank of Mysore
33.		Karnataka Vikas Gr. Bk.	Syndicate Bank
34.		Visveshwaraya Gr. Bk.	Vijaya Bank
35.	Kerela	South Malabar Gr. B.k.	Canara Bank
36.		North Malabar Gr. Bk.	Syndicate Bank
37.	Madhya Pradesh	Sharda Gramin Bank	Allahabad Bank
38.		Jhabua-Dhar Ksh. Gr. Bk.	Bank of Baroda
39.		Narmada-Malwa Gr. Bank	Bank of India
40.		Chambal Gwalior Ksh. Gr. Bk.	Central Bank of India
41.		Ratlam-Mandsaur Ksh. Gr. Bk.	Central Bank of India
42.		Satpura Ksh. Gr. Bank	Central Bank of India
43.		Vidisha-Bhopal Ksh. Gr. Bk.	State Bank of Indore
44.		Madhya Bharath Gramin Bank	State Bank of India
45.		Mahakaushal Ksh. Gr. Bk.	UCO Bank

1	2	3	4
46.		Rewa-Sidhi Gr. Bank	Union Bank of India
47.	Maharashtra	Wainganga Ksh. Gramin Bank	Bank of India
48.		Ratnagiri-S. Gr. Bk.	Bank of India
49.		Solapur Gramin Bank	Bank of India
50.		Aurangabad-Jalna Gr. Bk.	Bank of Maharashtra
51.		Marathwada Gr. Bank	Bank of Maharashtra
52.		Thane Gramin Bank	Bank of Maharashtra
53.		Vidarbha Ksh. Gr. Bank	Central Bank of India
54.	Manipur	Manipur Rural Bank	United Bank of India
55.	Meghalaya	Meghalaya Rural Bank	State Bank of India
56.	Mizoram	Mizoram Rural Bank	State Bank of India
57.	Nagaland	Nagaland R. Bank	State Bank of India
58.	Orissa	Rushikulya Gr. Bk.	Andhra Bank
59.		Baitarani Gr. Bank	Bank of India
60.		Neelachal Gramya Bank	Indian Overseas Bank
61.		Utkal Gramya Bank	State Bank of India
62.		Kalinga Gramya Bank	UCO Bank
63.	Punjab	Faridkot-B. Gr. Bk	Punjab & Sind Bank
64.		Malwa Gramin Bank	State Bank of Patiala
65.		Punjab Gramin Bank	Punjab National Bank
66.	Rajasthan	Baroda Raj. Gr. Bank	Bank of Baroda
67.		Mewar Anch Gr. Bank	Bank of Rajasthan
68.		Hadoti Ksh. Gr. Bank	UCO Bank
69.		Mgb Gramin Bank	State Bank of Bikaner & Jaipur
70.		Jaipur Thar Gr. Bank	UCO Bank
71.		Rajasthan Gr. Bank	Punjab National Bank
72.	Tamil Nadu	Pallavan Grama Bank	Indian Bank
73.		Pandyan Gr. Bk.	Indian Overseas Bank
74.	Tripura	Tripura Gramin Bank	United Bank of India
75.	Uttar Pradesh	Lucknow Ksh Gramin Bank	Allahabad Bank
76.		Triveni Ksh Gramin Bank	Allahabad Bank
77.		Baroda Estn UP Gr. Bank	Bank of Baroda
78.		Baroda Western UP Gr. Bank	Bank of Baroda
79.		Aryavart Gramin Bank	Bank of India
80.		Shreyas Gramin Bank	Canara Bank
81.		Ballia Ksh Gr. Bk.	Central Bank of India
82.		Etawah Ksh Gr. Bk.	Central Bank of India
83.		Sarva UP Gramin Bank	Punjab National Bank
84.		Purvanchal Gramin Bank	State Bank of India
85.		Prathama Bank	Syndicate Bank
86.		Kashi Gomati Samyut Gr. Bk.	Union Bank of India
87.		Kshetriya Kisan Gr. Bk.	UP State Coop. Bank
88.	Uttarakhand	Nainital Almora Ksh. Gr. Bk.	Bank of Baroda

1	2	3	4
89.		Uttaranchal Gramin Bank	State Bank of India
90.	West Bengal	Uttar Banga Ksh. Gr. Bk.	Central Bank of India
91.		Bangiya Gramin Vikash Bank	United Bank of India
92.		Paschim Banga Gramin Bank	UCO Bank

Service Tax charged per allottee by AFNHB

1547. SHRI RAJ NATH SINGH: Will the Minister of FINANCE be pleased to refer to answers to Unstarred Questions 2160 and 4381 (part c) given in the Rajya Sabha on the 12th December, 2006 and the 15th May, 2007 respectively and state:

(a) whether allottees were actually charged any amount in the name of service tax;

(b) if so, what was the amount charged per allottee;

(c) the head under which this amount was deposited with his Ministry;

(d) if no, the reasons for giving misleading information to Parliament;

(e) the action taken against the officials of Air Force Naval Housing Board (AFNHB), if any; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (f) Information is being collected and will be laid on the Table of the House as soon as it is received.

Widening Budget Deficit

1548. SHRI M.V. MYSURA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Budget Deficit of the country has widened and is increasing;

(b) if so, the details thereof and the reasons therefor; and

(c) the details of corrective measures taken or proposed to be taken by Government in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The details of Combined deficit of Centre and State Governments are given below. Both revenue and fiscal deficit as a percentage of Gross Domestic Product (GDP) has been continuously declining during the last three years.

Year	Revenue Deficit	Fiscal Deficit	Revenue Deficit	Fiscal Deficit
	(Rs. Crore)		(As per cent of GDP)	
2005-06	94990	239323	2.7	6.7
2006-07 (RE)	84739	264506	2.1	6.4
2007-08(BE)	54188	257867	1.2	5.6

RE: Revised Estimates BE: Budget Estimates

SOURCE: A handbook of Statistics on Indian Economy, 2006-07, Reserve Bank of India.